City as to what had to be done. The measures then employed erred, if at all, on the side of doing too much, which was certainly a mistake in the right direction if in any. What is much more evident is the fact that not only had there been no attempt to provide against just such a jolt to our financial machine as took place when the war began, but that, quite apart from the financial machinery of the City, no reasoned and thought-out attention had been given to the great problems of governmental finance which war on such a scale brought with it. There is, of course, the excuse that nobody expected the war to be on this scale, or to last so long. The general view was that the struggle would be over in a few months, and must certainly be so if for no other reason because the economic strain would be so great that the nations of Europe could not stand it for a long time. On the other hand, we must remember that Lord Kitchener, whom most men then regarded as representing all that was most trustworthy in military opinion, made arrangements from the beginning on the assumption that the war might last for three years. So, while some excuse may be made for our lack of financial foresight, it does seem to have been the duty of those whose business it is to manage our finances to have thought out a complete scheme to be adopted in case of war

if at any time we should be involved in one on a European scale. Instead of which, not only would it appear that no such endeavour had been made by our Treasury experts before the war, but that no such endeavour has ever been made by them since